

Fifty-Eighth Annual Report



for

the

year

ended

december 31st

1962



INGRAM & BELL

LIMITED
TORONTO

MONTREAL WINNIPEG CALGARY VANCOUVER



Digitized by the Internet Archive
in 2024 with funding from
University of Alberta Library

https://archive.org/details/Ingr1806_1962



AN ALL CANADIAN COMPANY

INGRAM & BELL, LIMITED

**Fifty-Eighth
Annual Report
for the year ended
December 31st, 1962**

INGRAM & BELL, LIMITED

DIRECTORS

A. T. CORNER
W. F. JONES, PH.C., PHM.B.
R. R. McLERNON
HON. JEAN RAYMOND, Q.C.
P. N. THOMSON
W. H. WERT, C.A.
C. C. WHITE, PH.C., PHM.B.

OFFICERS

W. H. WERT, C.A.	- - - -	Chairman of Board
C. C. WHITE, PH.C., PHM.B.	-	President
W. F. JONES, PH.C., PHM.B.	-	Vice-President & Secretary
H. T. MUNRO	- - - -	Treasurer

L. F. MAY, D.F.C.	- - - -	General Sales Manager
J. D. ELLIOTT	- - - -	Field Sales Manager
T. D. MUSTO	- - - -	Manager, Montreal Branch
T. M. WARD	- - - -	Manager, Winnipeg Branch
A. W. STEEN	- - - -	Manager, Calgary Branch
G. A. CORNELIUS	- - - -	Manager, Vancouver Branch

HEAD OFFICE

256 McCaul Street, Toronto 2B, Ontario.

BRANCH OFFICES

Montreal, P.Q.	- - - -	4664 St. Catherine St. W.
Winnipeg, Man.	- - - -	201 Kennedy Street
Calgary, Alta.	- - - -	2032 - 10th Ave. S.W.
Vancouver, B.C.	- - - -	2130 Burrard Street

TRANSFER AGENTS

Guaranty Trust Company of Canada, 366 Bay St., Toronto

AUDITORS

Winspear, Higgins, Stevenson and Doane

BANKERS

The Bank of Nova Scotia

SOLICITORS

Mungovan & Mungovan, Toronto



INGRAM & BELL

LIMITED
PHARMACEUTICALS, SURGICAL INSTRUMENTS
PHYSICIANS, HOSPITAL & CLINICAL LABORATORY SUPPLIES

TORONTO
MONTREAL . WINNIPEG . CALGARY . VANCOUVER

HEAD OFFICE

256 McCAUL ST. AT COLLEGE ST.

TORONTO 2B,
CANADA

PRESIDENT'S REPORT TO THE SHAREHOLDERS

It is a pleasure to submit our Fifty-eighth Annual Report which presents the record of a gratifying and profitable year.

Sales reached an all-time record of \$6,405,579 as compared to \$6,089,544 in 1961 and net earnings improved to \$192,582 from the \$119,640 reported a year ago.

After providing for the usual depreciation allowances, Federal and Provincial Income Taxes, etc.; and for dividends of \$97,776 as compared to \$52,443 in 1961, our Earned Surplus Account (Earnings Retained in our Business) was increased by \$79,981.

This encouraging progress has resulted from a combination of circumstances, chief of which were the increase in sales volume and the careful management of our operating costs which enabled us to improve the relationship between revenue and expenses.

This has been accomplished in the face of such difficulties as a further discount on the Canadian dollar and the imposition of Customs Duty surcharges ranging from 5% to 15% on numerous imported lines. Since a substantial volume of our merchandise is, unfortunately, not available from Canadian sources, and of necessity has to be imported from the U.S.A. or from countries requiring payment in U.S. dollars and is subject to surcharge, these factors have, undoubtedly, militated against sales. It is to be hoped that the removal of these surcharges will not be long delayed.

In our last Annual Report we told of the completion of our program of expanded Branch Office and Warehouse facilities, with our move to new premises in Vancouver. The continued growth of our branch operations has put a heavy strain on our Head Office and Main Warehouse in Toronto, where we are today handling double the volume for which these premises were designed. It has been apparent that provision of increased space could not be long delayed. Therefore, your Company, in October last, purchased a five and three-quarter acre site in the Don Mills area of Metropolitan Toronto and plans are in preparation for the erection of a modern building there to better serve our Branches and our growing volume of business across the Dominion.

Changing business conditions with the advent of Discount Stores, Shopping Plazas, etc., have rendered the Service Wholesale Drug Field less attractive to us. Accordingly, we sold our former subsidiary, Lyman's Limited of Montreal, to National Drug and Chemical Co. of Canada, Ltd. into whose Dominion-wide chain of wholesale operations this local unit can very well profitably fit. Although a small capital loss was sustained on this sale, its operations were on a profitable basis during our ownership.

Expansion of hospital facilities is still in progress throughout Canada — a trend which we expect will continue for some time, since a shortage of patient accommodation still exists in many areas. Our sales for the first quarter of 1963 show a substantial increase over the same period of 1962 and we feel that general conditions augur well for a continuation of this trend throughout the year.

We have appreciated the continued support of our All Canadian Company by our customers in the Hospital Field, in the Medical and Pharmaceutical Professions and in Industrial First Aid. This support, together with the loyalty and hard work of company employees, contributed much to the success of the year under review.

On Behalf of the Board of Directors,

April 11th, 1963.

President.

ASSETS

CURRENT	1962	1961
Cash	\$ 31,815	\$ 20,291
Accounts and notes receivable less allowance for doubtful accounts (including other than trade 1962 — \$39,036; 1961 — \$40,914)	1,046,851	1,018,603
Inventory of merchandise and supplies at the lower of cost or market value	1,297,859	1,237,846
Total current assets	<u>\$2,376,525</u>	<u>\$2,276,740</u>
INVESTMENT IN WHOLLY-OWNED SUBSIDIARIES		
At cost (See note 1)		\$ 389,825
LAND, BUILDINGS, MACHINERY AND EQUIPMENT		
At cost	\$1,578,668	\$1,423,595
Less		
Accumulated depreciation	695,705	662,887
	<u>\$ 882,963</u>	<u>\$ 760,708</u>
DEFERRED CHARGES AND OTHER ASSETS	\$ 17,350	\$ 18,738
TRADEMARKS AND FORMULAE	\$ 1	\$ 1
	<u>\$3,276,839</u>	<u>\$3,446,012</u>

Approved on behalf of the Board of Directors

C. C. WHITE

W. F. JONES

AUDITORS' REPORT

We have examined the balance sheet of **Ingram & Bell, Limited** as at December 31, 1962. Our examination included a general review of the accounting procedures and such tests of accounts as we considered necessary.

In our opinion the above balance sheet and accompanying statements of profit and loss for the year ended on that date, in accordance with generally accepted accounting principles, are correct.

Toronto, February 11, 1963.

LL, LIMITED

CANADA

SHEET

31, 1962

(figures)

LIABILITIES

CURRENT	1962	1961
Accounts payable and accrued charges	\$ 757,619	\$ 760,922
Taxes payable	91,106	52,132
Dividend payable	24,444	24,444
Total current liabilities	<u>\$ 873,169</u>	<u>\$ 837,498</u>
LONG TERM INDEBTEDNESS		
Bank loan (See note 2)	\$ 245,000	\$ 290,000
Note payable — International Bronze Powders Limited	150,000	389,825
	<u>\$ 395,000</u>	<u>\$ 679,825</u>
CAPITAL		
Capital stock		
Common shares without par value		
Authorized 160,000 shares of which 122,220 shares are issued and outstanding	\$ 126,062	\$ 126,062
Earned surplus	1,882,608	1,802,627
	<u>\$2,008,670</u>	<u>\$1,928,689</u>
	<u>\$3,276,839</u>	<u>\$3,446,012</u>

The accompanying notes form an integral part of the financial statements.

NOTE 1:

The investment in wholly owned subsidiaries was sold for \$325,000 which, after receipt of a dividend of \$50,000, resulted in a net loss of \$14,825 on the sale.

NOTE 2:

The long term indebtedness includes a bank loan of \$245,000 made under the terms of a revolving credit agreement which provides for a maximum credit of \$400,000 to be reduced by \$50,000 on March 1st each year 1963 to 1970. The bank loan is secured by a general assignment of book debts and by 4¼% first mortgage collateral bonds due February 28, 1970 in the amount of \$400,000.

THE SHAREHOLDERS

2 and the statements of profit and loss and earned surplus for the year ended on that date. Accounting records and other supporting evidence as we considered necessary in the circumstances. and earned surplus present fairly the financial position of the company as at December 31, fully accepted accounting principles applied on a basis consistent with that of the preceding

WINSPEAR, HIGGINS, STEVENSON AND DOANE,
Chartered Accountants.

INGRAM & BELL, LIMITED

STATEMENT OF EARNED SURPLUS FOR THE YEAR ENDED DECEMBER 31, 1962

	1962	1961
Balance, January 1	\$1,802,627	\$1,735,430
Net earnings for the year	<u>192,582</u>	<u>119,640</u>
	\$1,995,209	\$1,855,070
Dividends		
Preference		27,999
Common (numbers 2 to 5)	97,776	24,444
Loss on sale of investment in wholly owned subsidiaries	14,825	
Balance, December 31	<u><u>\$1,882,608</u></u>	<u><u>\$1,802,627</u></u>

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 1962

	1962	1961
Profit from operations after deducting \$58,421 (1961 — \$61,926) for depreciation and directors' fees of \$8,200 (1961 — \$8,550)	\$ 408,430	\$ 282,444
Interest on long term indebtedness	<u>28,578</u>	<u>36,468</u>
Net profit before deducting income taxes	\$ 379,852	\$ 245,976
Provision for income taxes	187,270	126,336
Net earnings for the year	<u><u>\$ 192,582</u></u>	<u><u>\$ 119,640</u></u>

INGRAM & BELL, LIMITED

EARNINGS AND DIVIDENDS

1959 to 1962

	1962	1961	1960	Ten months ended Dec. 31, 1959	Year to end of February 1959
Net earnings	\$192,582	\$119,640	\$173,296	\$120,992	\$111,584
Cumulative dividends paid or accrued on preference shares		27,999	37,332	31,400	37,332
Dividends paid or accrued on common shares	97,776	24,444
Net earnings less dividends paid or accrued	94,806	67,197	135,964	89,592	74,252



FOR HALF A CENTURY
THIS TRADE MARK
HAS BEEN KNOWN
TO PHYSICIANS AND HOSPITALS
THROUGHOUT CANADA
AS A RELIABLE GUIDE
TO QUALITY PRODUCTS



AN ALL CANADIAN COMPANY

This report is printed on fine quality paper manufactured entirely in Canada.

The pigment in the ink used for printing this cover was manufactured by Canadian Bronze Powder Works Limited, a subsidiary of International Bronze Powders Limited.